



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

July 28, 1997

Michael Bradfield, Esq.
Jones, Day, Reavis & Pogue
1450 G Street, N.W.
Washington, D.C. 20005

Dear Mr. Bradfield:

This is in response to the request of Gerling-Konzern Versicherungs-Beteiligungs-Aktiengesellschaft ("Gerling"), Cologne, Germany, for relief from a commitment made in connection with the acquisition by Deutsche Bank AG, Frankfurt, Germany, of 30 percent of the equity, which included 24.9 percent of the voting shares, of Gerling. By letter dated November 17, 1992, the Board advised Deutsche Bank that it would raise no objection to that acquisition. As stated in that letter, in reaching its decision, the Board relied on a number of representations and commitments, including the commitment by Gerling not to expand its operations in the United States through acquisitions.

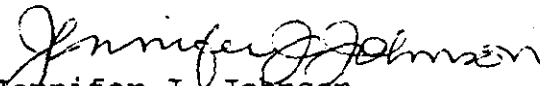
Gerling has requested limited relief from its commitment not to expand its U.S. operations through acquisitions.
its commitment

Gerling has represented that its request for limited relief from this commitment is prompted by changes in the U.S. insurance market, including the growing risk exposure of insurance companies and the consequential need for a larger capital base, as well as the market's demand for minimum amounts of capital irrespective of premium volume. All other commitments and representations made in connection with the Board's determination in November 1992 remain in force.

Based on all of the facts of record, including all of the representations made by Gerling in support of its request, the Board has determined to grant Gerling's request for limited relief from its commitment not to expand in the United States through acquisitions. Any change in the facts presented could

result in a different conclusion and should be reported to staff immediately. This approval should not be construed as granting relief from any other conditions or commitments to which Gerling or Deutsche Bank may be subject.

Very truly yours,


Jennifer J. Johnson
Deputy Secretary of the Board

cc: John Cassidy, Federal Reserve Bank of New York

INFORMATION SUBJECT TO EXEMPTION (B) 34
OF THE FREEDOM OF INFORMATION ACT HAS BEEN
DELETED. WRITTEN APPEAL OF DELETIONS CAN BE
MADE WITHIN TEN DAYS TO THE SECRETARY OF THE
BOARD.